8614459/2024/PROG-I-INC01

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Industries & Commerce Department - Purchase preference to local MSME units in the State of Andhra Pradesh by Government Departments, Corporations, Quasi-Government Bodies etc., for their requirements of purchase and not to resort to other MSMEs outside the State, unless the said items are not manufactured by the MSMEs in the State and subsequently, not readily available for procurement - Reiterating the earlier orders – Specific instructions to COI and AP MSME DC to develop user credentials in the proposed AP MSME ONE Portal to have user-interface for all Government departments and state PSUs – reg.

INDUSTRIES AND COMMERCE (PROG-I) DEPARTMENT

G.O.Ms.No.27 Dated:01/03/2024

Read the following:-

1. G.O.Ms.No.1020, Ind. & Com. (SSI) Dept., dt:30.11.1976.
2. G.O.Ms.No.437, Ind. & Com. Dept., Dt.05.09.1983.
3. G.O.Ms.No.181, Ind. & Com. Dept., Dt.09.04.1985.
4. G.O.Ms.No.51, Ind. & Com. (MSME) Dept., Dt.01.06.2010.
5. G.O.Rt.No.103, Ind., & Com., (P&I) Dept., Dt.15.05.2020 .
6. G.O.Rt.No.341, Finance (Admn.II-DWA-PAO) Dept., Dt.26.02.2021.
7. From the Finance (Admn.II-DWA-PAO) Dept., U.O. Note No.FIN01HODS 0ADWA/1/2021, Dt. 05.01.2022.
8. From the Commissioner of Industries, e-file No. INC02-20/15/2022-MSME&E&C &B II-DOI (Computer No. 1686677)

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ORDER:

In the G.O. 1st read above , Government have issued orders for purchase of goods required by the Government, Government undertakings, Corporations Quasi-Government Bodies to procure from registered SSI (MSME) Units by constituting a Purchasing Committee with a representative of the Department/ Organization which intends to purchase.

2. In the references 2nd and 3rd read above, Govt. have reiterated the earlier orders issued in the said G.Os with regard to the purchase preference given to the local SSI Units and that all the Government Departments/Corporations etc., should purchase their requirements only from the local Small Scale Industries (MSME) Units and they should not buy any of their requirements from outside the State, if they are manufactured and available within the State, subject to the quality of the product, etc, being equal and there shall not be any price preference.

3. In the reference 4th read above, while reiterating the earlier orders issued in GO., 1st read above, all the Government Departments were requested for strict implementation of the same. The Treasury authorities are requested not to admit the Bills for the orders placed in violation of the orders issued in reference 1st read above.

(P.T.O)

4. In the reference 6th read above, the Finance Dept., have informed that, to Under take the process re-engineering of Works Accounts activities, a High-Level Technical Committee (HLTC) headed by the Director of Works Accounts with the members was constituted vide reference 5th read above, duly drawing the officers from various engineering departments besides Finance department. The HLTC has made the following recommendation as shown below:

S. No.	Existing Criterion as per Code/Manual/ Rule	Ref to the code/ Manual/Rule/Justification	Action Required
1.	Some works can be entrusted to Labour Contract Co-op societies/ Small scale industries etc(G.O. Ms. NO.51 I&C Dept., Dt:.01-06-2010.	As a measure to encourage the SSI units, the Government has given certain incentives to them. They are to be observed in entrustment of works and concluding the agreements.	All agreement concluding authorities should ensure that G.O.Ms.No.51 dt.1.06.2010 of Industries department are complied with, instructions may be issued accordingly.

6. The Finance Dept., have requested this Dept. to reiterate the said orders for effective enforcement as recommended by the High Level Technical Committee.

7. In the reference 7th read above, the Commissioner of Industries has requested the Government to issue necessary fresh orders for purchase preference to MSME units (in view of the MSMSED Act, 2006) reiterating the orders issued vide reference 1st cited, for obliging the indenting departments to follow/preference to MSME units while purchase/procurement.

8. It has been brought to the notice of the Government that certain Government Departments are making purchases from outside the State, despite the same are manufactured in the State of Andhra Pradesh, in gross violation of the orders in the subject matter and such purchases shall defeat the policy of the Government for encouraging the MSME Units.

9. The Commissioner of Industries and CEO, AP MSME Development Corporation are developing the AP-MSME-ONE Portal, wherein the details of all the MSME units in the State of Andhra Pradesh (manufacturing, Trade and services) will be available for the information of Government departments and state PSUs. All the line Departments and PSUs will be provided user-credentials to access the required information and approach the concerned MSME units for necessary stakeholder consultation, to confirm, whether the items required by the Government departments and State PSUs are being manufactured in the State of Andhra Pradesh or not.

(Contd...3)

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10. The COI and CEO, AP MSME DC are further instructed to enable to create a dynamic database of items being manufactured along with their technical specifications and services being rendered by the MSMEs in the State for the access of the user departments. The provisions of GeM Portal of GoI may be leveraged (API integration with AP MSME ONE) to have an immediate database of MSMEs in the State of Andhra Pradesh.

11. Hence, the Government, after careful examination of the matter, have decided to reiterate the earlier orders issued in G.O.Ms.No.1020 Ind. & Com. (SSI) Dept., dt:30-11-1976 and G.O.Ms.No.51, Ind. & Com. (MSME) Dept., Dt.01.06.2010 with regard to the purchase preference given to the local MSME (SSI) units and that all the Government Departments/Corporations, Quasi Government Bodies, etc. should purchase their requirements only from the local MSME (SSI) units and they should not buy any of their requirements from outside the State, if they are manufactured and available within the State.

12. Accordingly, all the Government Departments are hereby directed for strict implementation of the same. The Treasury authorities are requested not to admit the Bills for the orders placed in violation of the orders issued in G.O.Ms.No.102, I&C (SSI) Department, dt:30.11.1976 read with G.O.Ms.No.51, Ind. & Com. (MSME) Dept., Dt.01.06.2010.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

N .YUVARAJ
SECRETARY TO GOVERNMENT & CIP

To
The Commissioner of Industries, APIIC Towers, Mangalagiri.
The CEO, AP MSME DC, Vijayawada.
All the Departments of Secretariat.
All the Heads of Department,
All Public Sector undertakings in the State.
All the District Collectors.

Copy to:
The Finance (Admn.II-DWA-PAO) Department.
The P.S to Spl.CS to Hon'ble C.M.
The PS to Minister for Industries
The OSD to Chief Secretary, GoAP
The P.S. to Secretary to Government & CIP, Ind. & Com. Dept.,
Sf/Sc (C.No. 1649127)

//FORWARDED::BY ORDER//

SECTION OFFICER